

Department of Justice

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FORMER NEW YORK STATE SENATE MAJORITY LEADER JOSEPH L. BRUNO SENTENCED TO 2 YEARS IN PRISON FOR SCHEMING TO DEFRAUD THE CITIZENS OF NEW YORK OF HIS HONEST SERVICES

ALBANY, N.Y.— Joseph L. Bruno, 81, the Former Majority Leader of the New York State Senate, was sentenced today to 2 years in prison by United States District Judge Gary L. Sharpe for scheming to defraud the citizens of New York of his honest services, announced United States Attorney Richard S. Hartunian and Special Agent-in-Charge John F. Pikus of the Albany Division of the Federal Bureau of Investigation.

"This case highlights the commitment by the Department of Justice to root out public corruption wherever it is found," said United States Attorney Hartunian. "This commitment is grounded in a system of justice where all individuals, regardless of their position, will be held accountable when they violate their legal obligations to those who elected them. This case demonstrates that our government officials must act with integrity as they discharge their duties to the citizens of our state and nation."

Bruno was also ordered to pay \$280,000 in restitution and forfeiture and a \$200 special assessment. Judge Sharpe said he will wait to set a date for Bruno to report to a facility designated by the Bureau of Prisons until the U.S. Supreme Court renders decision on the statute and he determines the impact of that decision on this case.

Following trial, Bruno was convicted of two "honest-services" mail fraud counts. Those counts involved \$280,000 in payments Bruno received from entities controlled by an Albany businessman who had interests before the New York State Legislature. Count 4 involved \$200,000 in "consulting" payments not commensurate with legitimate services provided by Bruno, and Count 8 involved an \$80,000 payment for a virtually worthless horse.

Bruno was charged with carrying out a scheme to defraud the State of New York and its citizens of the right to his honest services by soliciting private business from, and entering into direct and indirect financial relationships with, persons or entities who were pursuing interests before the New York State Legislature or other state agencies. The indictment further alleged that Bruno concealed and failed to disclose the existence and true nature of such financial relationships, and the resulting conflicts of interest, while taking discretionary official actions benefitting parties with whom he had those relationships. Although New York State legislators are part-time officials permitted to pursue other employment or business activities, the indictment alleged that Bruno

improperly exploited his official position and concealed conflicts of interest, contrary to state ethics and reporting laws, with respect to his private "consulting" business.

"We appreciate the efforts of the Federal Bureau of Investigation, the Inspector General of the U.S. Department of Labor, and the Internal Revenue Service Criminal Investigation in developing this seminal case and assisting with the prosecution," said United States Attorney Hartunian.

"The sentencing today of Mr. Bruno is a reminder that corruption by those entrusted with serving the public shall be aggressively pursued by the FBI no matter who they are," stated Special Agent-in-Charge John F. Pikus of the FBI's Albany Division.

Marjorie Franzman, Special Agent-in-Charge for the New York Region of the U.S. Department of Labor's Office of Inspector General stated, "Today's sentencing is a culmination of a longstanding collaborative effort of my agency, the U.S. Attorney's Office, and the Federal Bureau of Investigation. It further demonstrates our unwavering commitment to investigating those who violate the public trust."

"Internal Revenue Service Criminal Investigation remains committed with our law enforcement partners in bringing those who break the law to justice," stated Patricia J. Haynes, Special Agent-in-Charge, Internal Revenue Service Criminal Investigation, New York Field Office.

The case was prosecuted by Assistant U.S. Attorneys Elizabeth C. Coombe and William C. Pericak.